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ARGENTINA. 15 Aug.—Visit of President Perón to Paraguay (*see Paraguay*).

AUSTRALIA. 5 Aug.—**South-east Asia Defence.** In a statement to the House of Representatives, Mr Menzies, Prime Minister, said he thought it was probable that a Communist administration would be established in the whole of Vietnam after the elections but that this might be prevented if during the breathing period the non-Communists in Indo-China were to receive economic and spiritual encouragement and if the weight and influence of the great new democracies of south and south-east Asia could be rallied. He emphasized that the conception of a south-east Asia defence organization involved no loss of sovereignty for these democracies but was designed to help preserve the national integrity of Asian countries, and he hoped some, if not all, would join. He said Australia would become a contributing party and would accept military obligations in support of her membership.

6 Aug.—Mr Menzies, amplifying his speech of 5 August at a press conference, said that he did not exclude the possibility of Australia's stationing forces at points within a south-east Asian treaty organization area if they were required.

10 Aug.—Speaking in the debate on the Prime Minister's statement of 5 August, Mr Casey, Minister for External Affairs, emphasized the psychological aspects of the Asian problem, saying that most Asians were extremely sensitive to their colonial past and most had vulnerable and not very well developed economies. He thought the Colombo Plan should not be subordinated to any new pact.

11 Aug.—**Commission on Soviet Espionage.** Mr Menzies introduced in the House of Representatives a Bill designed to strengthen the powers of the royal commission on Soviet espionage by providing for a penalty of three months' imprisonment for each refusal by a witness to answer questions before the commission, the offence to be punishable summarily by the High Court as if it were contempt of the High Court itself. The Bill also provided that no action for defamation could be brought against the Government, Government representatives, newspapers, or radio stations for publishing transcripts of the commission's proceedings or any report by the commission.

18 Aug.—**Budget.** Sir Arthur Fadden, Federal Treasurer, introduced to the House of Representatives the 1954-5 Budget which provided for tax cuts to the value of £A46 m. in a full year, including income tax reductions representing an overall decrease of 9 per cent, and cuts in sales taxes amounting to nearly £A13 m. in a full year. Estimating revenue at £A1,015 m. (an increase of £A33 m. over 1953-4) and expenditure at £A1,014, he put the surplus at £A251,000. The defence appropriation at £A200 m. together with a reserve of £A12 m. from the previous year provided £A35 m. more than was spent in 1953-4. Sir Arthur Fadden said the national income had risen 5 per cent in the past year. Imports had risen by £171 m.; exports were £A30 m. less. International reserves on 30 June were £A571 m.—a net addition of £A10 m. on the year.

AUSTRIA. 6 Aug.—British Note (*see Great Britain*).

9 Aug.—The United States and French Governments sent Notes agreeing to the Austrian proposal of 22 July for a five-Power committee to consider ways and means of further alleviating the occupation regime.

10 Aug.—The Russian authorities in Vienna prevented for a second time the trial of an Austrian charged with kidnapping on behalf of the Russians. Shortly before the court assembled, the Russian Kommandatura called upon the Ministry of Justice to hand over all the papers in the case.

12 Aug.—Soviet Note proposing discussion of peace treaty (*see U.S.S.R.*).

13 Aug.—**Restoration of Nazi Property.** The Allied Council unanimously declined to approve two laws concerning the restoration of property confiscated from Nazis and the payment of pensions to former Nazi civil servants. Both had been passed by an overwhelming majority in the Austrian Parliament. The Soviet High Commissioner vetoed the laws on the ground that they were evidence of the support given by the Austrian Government to anti-democratic Fascist and Nazi elements. The three western High Commissioners based their veto on the ground that they could not approve such laws before all the after-effects of Nazi misrule had been eliminated (a reference to the fact that no agreement had been reached by the Austrian Government and the Jewish organizations on the restoration of the property of Nazi victims).

The Council failed to agree and therefore took no action on a proposal by the Soviet and French High Commissioners to ban two books by former Field-Marshal Kesselring. The Soviet High Commissioner claimed that, thanks to the British and American attitude, Austria was flooded with Nazi and Fascist literature. The British High Commissioner, while admitting that the books were 'unnecessary, unpleasant, and in parts tendentious publications', said that 'our right decision must be to ignore these publications and to accord them the obloquy of silence'. The American representative said that he would not support banning any book unless it could be considered a danger to the security of the allied forces in Austria.

BRAZIL. 5 Aug.—**Attempt on Senhor Lacerda.** A group of men attempted to assassinate Senhor Carlos Lacerda—the prominent newspaper editor, candidate for Congress, and outspoken critic of the Government. During the attempt an Air Force officer who was with Senhor Lacerda was killed and Senhor Lacerda was shot in the foot. The assassins escaped but the driver of the car used by them was later arrested and confessed that one of them was a member of President Vargas's personal guard, a deputy also up for election, and a bitter opponent of Senhor Lacerda.

7 Aug.—Indian reply *re* Portuguese India (*see India*).

11 Aug.—It was learned that, following the attempt on Senhor Lacerda, the Chief of Police had resigned and been replaced by an army officer and that the President had disbanded his personal guard.

Thousands of Brazilians marched on the Chamber of Deputies and

Brazil (*continued*)

demanding the President's resignation. They were dispersed by the police without casualties after a building had been attacked and a car set on fire.

16 Aug.—The Air Minister, who had been appointed by President Vargas, resigned.

17 Aug.—One of the men alleged to have been implicated in the attempt on Senhor Lacerda was captured.

CEYLON. 5 Aug.—**South-east Asian Defence.** Sir John Kotelawala, Prime Minister, sent telegrams to the Prime Ministers of India, Pakistan, Burma, and Indonesia suggesting a meeting of the Colombo Powers in Rangoon between 20 and 27 August to discuss south-east Asian defence.

13 Aug.—**South-east Asian Defence.** The Ministry of External Affairs announced that Ceylon would not be represented at the forthcoming conference in Baguio on a south-east Asian defence organization. The statement added that Ceylon was 'prepared to maintain an open mind on the subject'. The nature of machinery for maintaining peace was the important question, and it was mainly to discuss such machinery that the Government had proposed an early meeting of the Colombo Powers.

CHILE. 7 Aug.—Señor Koch, Minister of Justice, in a statement on the visit of Ilya Ehrenburg, the Soviet writer, said that he had brought propaganda and 'secret instructions in records for the Communist Party in Chile and in other countries in the Americas'.

8 Aug.—The Government announced that in future it would refuse entry visas to nationals of countries in the Communist *bloc*, or of countries with which Chile had no diplomatic relations.

CHINA. 5 Aug.—Rejection of further U.S. protest (*see United States*).

9 Aug.—Chinese Nationalist claim of naval victory (*see Formosa*).

11 Aug.—A special session of the People's Government Central Council approved a report calling for 'determined action to liberate' Formosa. Mr Chou En-lai, who presented the report, said: 'We will brook no foreign interference. If any foreign aggressors dare to prevent the Chinese people from liberating Taiwan (Formosa) . . . they must take upon themselves all the grave consequences of such acts of aggression.' The present occupation of the island by the United States 'absolutely cannot be tolerated'.

The report also said that the results at Geneva, though not wholly satisfactory, were a great success in restoring peace, but it was necessary to shatter the designs of the United States and to defeat their 'aggressive policy' if peace and security in Asia were to be safeguarded. The projected south-east Asia defence *bloc* was being organized 'mainly against China and for the purpose of undermining collective co-operation on the Indo-China question'.

14 Aug.—A British Labour Party delegation, led by Mr Attlee, arrived on a visit to China.

16 Aug.—Speaking at a Government dinner for the Labour Party delegation, Mr Chou En-lai said: 'We are ready to strive, together with the British people, to safeguard the peace of Asia and the world.' He also affirmed the Chinese people's readiness to adopt every step to further friendly co-operation and to develop trade and cultural relations with Britain. After referring to the five principles laid down during his visit to India and Burma—mutual respect for territorial integrity and sovereignty; non-aggression; non-interference in internal affairs; equality and mutual benefit; and peaceful co-existence—Mr Chou En-lai said China hoped to extend these principles to all other countries.

18 Aug.—Foreign Trade. The director of the western department of the Ministry of Foreign Trade, Mr Lu Shu-Chang, told foreign correspondents that in spite of the embargo on strategic goods China had imported 'metals, steel, machinery, and heavy equipment from western countries, and many British companies have provided shipping services to ship goods to China' from west Germany, Belgium, and France.

CYPRUS. 6 Aug.—The Governor said in a broadcast that there was no question of restricting comment on the constitution or suppressing the freedom of the press, so long as the sedition law was not broken.

8 Aug.—Archbishop Makarios led his congregation in cries of *Enosis* in a village church near Nicosia, and subsequently in a procession through the streets in which the Greek national flag was carried.

11 Aug.—A meeting in Nicosia of mayors and municipal councillors, including sixteen Communists, decided to telegraph a protest to Unesco against the alleged violation of human rights by the Cyprus Government in enforcing the anti-sedition laws.

12 Aug.—A one-day general strike called by the nationalist and Communist trade unions in protest against the sedition law passed off without incident. Government offices operated as usual, and Turkish shops and factories ignored the strike.

CZECHOSLOVAKIA. 6 Aug.—Slovakia. Prague Radio announced that Dr Jan Pull, deputy chairman of the Slovak provincial Government, and Dr Julius Branik, commissioner of planning in the Slovak Government, had been dismissed and replaced by Mr Stefan Sebesta, a member of the Slovak Politburo, and Mr Pavol Mejling, commissioner of finance, respectively. Mr Jan Marko succeeded Mr Mejling as commissioner of finance.

7 Aug.—Arrests. Prague Radio announced the arrest of 'several dozen' spies and agents of the west German Gehlen organization.

8 Aug.—According to Vatican sources, 140 priests and more than 3,000 prominent Catholic laymen had been arrested in the previous few months, apparently as a result of the refusal of the hierarchy to approve a Government-sponsored 'Catholic Action' to replace the genuine organizations.

Czechoslovakia (*continued*)

16 Aug.—**U.S. Relief.** Prague Radio announced the Government's readiness to begin negotiations with the United States on how the aid offered by President Eisenhower for flood victims should be administered. (The U.S. Embassy had been informed of the Government's 'gratitude' for the offer.)

EGYPT. 6 Aug.—Colonel Nasser, Prime Minister, left for Mecca to make a pilgrimage and to have political discussions and attend the Islamic congress.

7 Aug.—**Canal Zone.** Terrorists threw two hand grenades into a British camp at Port Fuad. There were no casualties.

12 Aug.—Israeli-Egyptian border incidents (*see Israel*).

Pakistan-Egyptian talks (*see Pakistan*).

14 Aug.—**Israel.** It was officially stated that on 13 August Israeli troops in two vehicles had crossed the truce line near Rafah and attacked an Egyptian outpost with light machine-gun fire. There were no casualties.

The Ministry of War produced at a press conference a Jew said to have deserted from the Israeli Army on 6 August. Statements made by him were said to prove that Israel had established a strong military post in the guise of a civilian settlement in the demilitarized zone. A protest had been lodged with the truce committee and an investigation demanded.

15 Aug.—Frontier incident and Israeli denial of Egyptian allegation (*see Israel*).

17 Aug.—Iraqi-Egyptian talks (*see Iraq*).

FORMOSA. 9 Aug.—The Chinese Nationalist Defence Ministry claimed that their warships had sunk eight Communist gunboats in a battle in the Formosa Straits.

11 Aug.—Mr Chou En-lai on liberation of Formosa (*see China*).

FRANCE. 5 Aug.—**E.D.C. and U.S. Aid.** Replying to a question in the Council of the Republic as to what the effect upon French forces would be if U.S. aid were discontinued as a result of non-ratification of E.D.C., Gen. Koenig, Defence Minister, said that of the \$1,665 m. worth of material due to be delivered to France on 31 March last, only \$101 m. would be affected by the Richards amendment.

6 Aug.—**Bonn and E.D.C. Treaties.** The foreign affairs committee of the National Assembly voted unanimously to remove from the Bill authorizing ratification of the E.D.C. treaty the clause which would also authorize the ratification of the Bonn convention. (The committee on 9 June voted to reject the E.D.C. treaty.)

10 Aug.—**Economic Reform Bill.** The National Assembly voted by 362 to 90 to accord the Government special powers to carry out its economic programme. The Prime Minister had made it a vote of confidence. The Government was supported by the M.R.P., Socialists, Radicals, and the majority of other centre groups. The Communists

abstained. Those voting against consisted of independents and right-wing deputies, including some Gaullists.

In speaking of his programme M. Mendès-France, Prime Minister, said the special powers were needed, not to cope with a sudden emergency, but to set going by flexible means a long-term plan to expand and modernize the country's economy. He laid special stress on full employment, the conversion of unproductive industries, wage policy, and agricultural policy, and said that a fund 'for the redeployment of manpower' would be established, and that assistance would be needed by concerns which lacked resources for their own conversion. On wages he said that general increases would help no one, but he emphasized the importance of collective wage agreements and of creating a link between wage levels and the volume of production. He promised that the Government would try to help smallholders by encouraging the consolidation of holdings and by providing technical advice. He denied that he favoured controlled economy, saying his ideas were liberal and based on competition though this must accord with the national interest.

North Africa. The Assembly voted by 398 to 126 to postpone, in accordance with the Government's wishes, a full debate on North African policy. The Communists and Socialists supported the Government, and the M.R.P. abstained. During the debate, after strong criticism of the Government's policy for Tunisia had been expressed by M. Martinaud-Déplat, a former Minister of the Interior, M. Mendès-France had said that the vote would in effect be a vote of confidence.

M. Martinaud-Déplat claimed, on the basis of what he said was legal evidence, that neither M. Bourguiba nor the Néo-Destour were in good faith, and that they were the allies of Abdel Krim. He warned M. Mendès-France that all gambles did not succeed and that if France negotiated with murderers she would one day be reduced to non-imperial status.

Replying, M. Mendès-France maintained that there was no alternative to a policy of negotiation in Tunisia and that France was bound to honour the promises of autonomy made by every Government since the liberation. On Morocco, he said that the Government would have to seek, with the Sultan, a means of re-establishing agreement. He was emphatic that no foreign interference, from Libya or elsewhere, could be tolerated.

M. Fouchet, Minister for Tunisian and Moroccan Affairs, said the Government had a triple objective in Tunisia: to assure the permanence of the French outlook in the strategic, diplomatic, cultural, and economic fields; to guarantee the rights and interests of French settlers; and to lead the Tunisian people towards autonomy. The new policy had already produced results by the return of law and order. In Morocco, once order was restored, it would be possible to embark on a constructive political programme with which the 'most qualified' representatives of the population would be associated and which would give Moroccans increasingly large responsibility.

French Settlements in India. M. Buron, Minister for Oversea France, gave the Assembly an assurance that the Government intended

France (*continued*)

to defend the rights of French citizens in India, but said it could not, by the terms of former agreements, use force for the purpose.

12 Aug.—E.D.C. The finance committee of the Assembly rejected by 22 votes to 18, with 1 abstention, its *rapporteur's* report on E.D.C. which was favourable to the treaty.

14 Aug.—E.D.C. The Council of Ministers approved certain modifications of the European Defence Community treaty for submission to the other signatories.

M. Mendès-France said in his weekly broadcast that Germany could not remain indefinitely defenceless and the degree of German rearmament would depend directly on the degree of international tension. That was one reason why the Government must not neglect anything which could improve relations between the great Powers. The choice for France was between a controlled or an uncontrolled rearmament of Germany. Emphasizing the need for an immediate decision in regard to E.D.C., he said that France's hesitations had led her friends to doubt her goodwill, and the delay had poisoned the political atmosphere of the country.

Gaullist Resignations. Three Gaullist Ministers, Gen. Koenig (Defence), M. Lemaire (Reconstruction), and M. Chaban-Delmas (Public Works), resigned in opposition to the E.D.C. policy. Their portfolios were assigned to M. Temple (Independent), M. Petit (U.D.S.R.), and M. Bourges Manoury (Radical) respectively, all of whom were already Ministers. The three other Gaullist Ministers, M. Fouchet, M. Ulver, and M. Catroux, remained in the Government.

18 Aug.—Tunisia. Following two-day talks in Paris between French Ministers and M. Tahar ben Ammar, Tunisian Prime Minister, and M. Masmoudi, a Neo-Destour member of his Government, it was announced that negotiations for new conventions would begin in Tunis in the first week of September. The Tunisian Ministers had confirmed the Bey's approval of the French proposals for home rule, for reciprocal obligations, and especially for Tunisian guarantees to French settlers about the permanence of Franco-Tunisian friendship and co-operation.

GERMANY. 5 Aug.—West Germany. Disorders. Several hundred shipyard workers at Bremerhaven stopped work in order to help small-holders and tenants in the Blink district whose land had been confiscated for American housing projects. In one place they fought with police who were guarding building workers at an American army housing project and forced the labourers to stop work, and at another site they cleared an American housing project by moving against the police with a bulldozer. A deputation of shipyard workers then marched to the city hall and demanded the release of those arrested, the withdrawal of police from the building sites, and an assurance that no one would be forcibly evicted from American building sites. The city authorities agreed to negotiate.

6 Aug.—Dr John. The Federal Government said in a Note to the three western High Commissioners that there were grounds for assum-

ing that Dr John (*see pp. 484-6*) was being held against his will and asked that the Soviet authorities be approached to secure his release.

Dr Adenauer, Chancellor, said in a broadcast that Dr John's 'going over' was 'alarming' but the damage he could do was not so great as many people at first had supposed. His assertion that he knew of secret clauses in the European defence treaty was untrue. There were no such secret clauses. The Federal Republic had no secret armed forces, no covert armament production, and no treaties or agreements with other Powers which were not known to Parliament and to the public.

E.D.C. Dr Adenauer reaffirmed in the same broadcast that European integration and the E.D.C. treaty remained the basis of his foreign policy. He gave a pledge that Nazism would not arise again, declaring that the German people wanted extremism neither from the right nor the left, and in reply to French fears about reunification, said that all the parties and the refugees' organizations were agreed that reunification should be sought only by peaceful means.

Soviet annulment of decrees in east Germany (*see U.S.S.R.*).

U.S. Offer of Food to East Germany. The Soviet High Commissioner, through whom the offer had been made, announced that Herr Grotewohl, east German Premier, had accepted President Eisenhower's offer of food to flood victims (*see p. 507*). In a reply addressed to the Soviet High Commissioner the U.S. High Commissioner said that the League of Red Cross Societies, a private organization, would be making the arrangements.

7 Aug.—West Germany. It was learned that Josef Pedwohn, State chairman of the Communist Party in North-Rhine Westphalia, had been arrested at Essen and accused of working with the Communist front 'National Reunification Movement'.

Berlin. It was announced that the Soviet High Commission had moved its headquarters to the building of the Soviet Embassy, and had handed over its previous premises in the east Berlin suburb of Karlshorst to the east German Government.

9 Aug.—West Germany. Strikes. A strike for increased wages began in the Bavarian engineering industry in which about 235,000 people were employed.

11 Aug.—West Germany. Strikes. The Metal Workers' Trade Union of Bavaria joined in the engineering workers' strike. In Munich clashes occurred between workers and the police.

Dr John. Dr John (*see pp. 484-6*), read out a statement to a press conference in east Berlin attended by German and foreign journalists. In the course of the statement and in reply to questions he said that one incident which had influenced his decision to go over to the east was the discovery from an American security employee of German origin named Höfer that he was being 'watched' by the Americans. (Höfer died of a pistol wound on 23 July.) He insisted that he was as free intellectually and politically in east Germany as he had always been, and that he had gone there because he saw the best chance there of working for German reunification and of warning the German people against the dangers threatening them. He denied that he was a Com-

Germany (continued)

munist and said he was not supplying the east Germans with any intelligence reports.

Dr John declared that through the Bonn and Paris treaties the Federal Republic had become the tool of American policy which aimed at using German soldiers for their war against the east, and he repeated his charges that Nazis and militarists were again becoming active in the Federal Republic. He mentioned Dr Oberländer, Federal Minister for Refugees, Herr Naumann and his counsel, Herr Achenbach, and Herr Otto Abetz, former Ambassador to France, all of whom he accused of putting former Nazis in key positions. He pointed out that proceedings against Naumann had not even yet been pressed, and he said the Free Democratic Party was infiltrated with Nazis particularly in North Rhine-Westphalia.

In regard to the European Defence Community, he claimed that Dr Adenauer and the militarists intended to use it to create a strong German Wehrmacht which sooner or later would absorb the other national contingents, and he said that German generals had plans to station German contingents in other countries and thus render them docile. He again declared, 'on the basis of my knowledge as president of the Federal Office for the Defence of the Constitution', that there were secret clauses in the E.D.C. treaty and he challenged Dr Adenauer to lay them before the *Bundestag*. He concluded with an appeal for 'common activity' in east and west Germany to bring about negotiations to end the division of Germany.

The Federal Government issued a statement saying that Dr John's latest utterances confirmed that he was carrying on Communist party propaganda and acting in a traitorous manner against the Federal Republic.

The Social Democratic Party executive demanded the resignation of the Minister of the Interior, Dr Schroeder, because of the 'chain of mistakes' in connection with the Dr John affair.

12 Aug.—West Germany. Strikes. Municipal workers in Hamburg returned to work following a settlement providing for wage increases.

Clashes between strikers and the police occurred in Munich, Nuremberg, and Amberg.

14 Aug.—East Germany. Three men and a woman who held prominent positions in the east German Ministry of Machinery were sentenced by the east Berlin district court to prison terms ranging from twelve to twenty-five years for economic sabotage and espionage.

16 Aug.—West Germany. Cartels. The Allied High Commission refused to give its permission for a cartel to 'rationalize' the flour milling industry, on the ground that it would lead to increases in the price of bread and 'an ever-expanding wave of cartel demands'.

18 Aug.—East Germany. Aid for Flood Victims. It was announced that an agreement had been signed in east Berlin between the League of Red Cross Societies and the Red Cross Society of the Soviet Zone for the distribution of U.S. foodstuffs to victims of the recent Danube floods.

West Germany. Strikes. At least twenty people were injured in a clash at Munich between metal work strikers and the police.

GOLD COAST. 10 Aug.—Opposition members walked out of the Legislative Assembly as a protest against the refusal of the Prime Minister, Dr Nkrumah, to recognize them as an official Opposition. His refusal was based on the ground that the Northern People's Party (the opposition) was a regional party and could not form a Government if the existing Government fell.

11 Aug.—The Speaker of the Legislative Assembly ruled that the Northern People's Party's twelve members should be recognized as the official Opposition. After the ruling had been given Dr Nkrumah declared in the Assembly that toleration of the formation of parties on a regional, sectional, religious, or racial basis would not only lead to political chaos but would sow the seeds of the destruction of the Gold Coast's national existence.

GREAT BRITAIN. 5 Aug.—Anglo-Persian oil agreement (*see Persia*).

British Statement on Anglo-Persian Oil Agreement. The Foreign Office issued a statement saying that the Anglo-Iranian Oil Company would have a 40 per cent holding and Royal Dutch Shell 14 per cent in the consortium of oil companies which had just concluded the agreement. The remaining shares would be held by American and French companies. The consortium would form two companies incorporated in the Netherlands with operating headquarters in Persia. The shares of the companies would be held by a company incorporated in London with headquarters in London. The consortium would also form a company in London to undertake procurement and servicing for the operating companies.

The statement said the Government warmly welcomed the agreement as a major contribution to Middle East stability. It paid a tribute to the realism displayed by the Persian Government and to the help given by U.S. representatives, and said the agreement demonstrated the identity of interest between Persia and the western Powers.

British Note to India *re* Goa (*see India*).

Portugal. The Portuguese Ambassador called at the Foreign Office and was informed by Mr Selwyn Lloyd, Minister of State, that the British Government very much regretted the state of tension between India, a member of the British Commonwealth, and Portugal, Britain's oldest ally. He was also informed of the communication sent to India (*see India*).

Reply by Mr Stassen to Senate criticism of U.S. aid to Britain (*see United States*).

Polish Stowaway. The Home Office issued a statement denying certain allegations contained in the Polish Note of 3 August (*see p. 500*) regarding the case of Antoni Klimowicz. It pointed out that the writ had been served on the master of the Polish ship late in the evening in order to give the Polish Ambassador prior notice and the opportunity to communicate with the master. It also stated that the ship was not

Great Britain (*continued*)

boarded by force; a considerable number of police—80 not 120 as alleged—had gone on board because the crew had earlier adopted a menacing attitude. Furthermore, force had been used by the police on only two occasions, once by a policeman with his truncheon in self-defence, and the other time in order to prevent an ugly situation developing when an attempt was made to prevent the police from removing Klimowicz. The hostile attitude of the crew was shown by the fact that as the police left the ship missiles were hurled at them.

6 Aug.—The Home Secretary issued a statement saying that on first receiving a request from Klimowicz for political asylum the immigration authorities were not satisfied that there were sufficient grounds for treating him differently from other stowaways and he was therefore refused permission to land on 30 July. On the receipt of further information from, among others, representatives of dockers in the Port of London, it was decided to make further inquiries and to give him temporary leave to land pending investigation of his appeal. An immigration officer so informed the master of the *Jaroslaw Dabrowski*, but the master refused to allow Klimowicz to land and the crew adopted a menacing attitude. The Polish Ambassador, after referring to his Government, also refused to order the master to allow Klimowicz to leave the ship. It therefore became necessary to prevent Klimowicz being taken out of British jurisdiction while the circumstances were being investigated, and a writ of habeas corpus was obtained from the Lord Chief Justice requiring the master to produce Klimowicz at the Royal Courts of Justice on 3 August. The Polish Ambassador was informed and stated that he still could not give the instruction requested to the master, and could do no more than refer the matter to his Government.

Later in the evening, the statement continued, the writ was served on the master, who refused to give an undertaking to produce Klimowicz as ordered. The police, therefore, on Home Office instructions, searched the ship and removed Klimowicz from the place where he was confined 'under lock and key'. The Home Secretary said he had authorized that action since it was 'intolerable' that a person should be removed from British jurisdiction while an appeal for protection was being investigated. In the light of all the circumstances, he had now decided to cancel the condition limiting Klimowicz's stay in this country and to allow him to stay 'in the same way as any other alien upon whose stay no time limit has been imposed'.

Austria. The Foreign Office issued the text of a Note sent in reply to the Austrian Note of 22 July asking the four occupation Powers to agree to set up a five-Power committee with Austria to consider ways and means of further alleviating the occupation regime.

The reply stated that the British Government 'welcomes the proposal in principle', and had instructed its Ambassador in Vienna to discuss it with the Ambassadors of the other three Powers and with the Austrian Government. It considered that such a committee should carry out its deliberative tasks without prejudice to the operation of the

Allied control agreement of 1946 or to the jurisdiction of the Allied Council. The Note emphasized that support for the proposal involved no change in the British Government's 'policy of working for the achievement of full sovereignty and independence for Austria'. The Government was ready to resume full treaty negotiations as soon as the Soviet Government had declared its readiness, on the successful conclusion of these negotiations, to withdraw their forces from Austria.

7 Aug.—Persian statement on compensation for A.I.O.C. (*see Persia*).

9 Aug.—Indian Note *re* Portuguese India (*see India*).

10 Aug.—Labour Party delegation in Moscow (*see U.S.S.R.*).

12 Aug.—**Geneva Conference.** The Government published a further White Paper (Cmd. 9239, price 1s. 6d.) containing documents relating to the discussion of Indo-China at the Geneva conference, including the texts of the three cease-fire agreements.

13 Aug.—Yemeni protest against Aden federation proposals (*see United States*).

14 Aug.—Labour Party delegation in China (*see China*).

18 Aug.—Chinese allegation of British shipping companies' defiance of strategic ban (*see China*).

GREECE. 7 Aug.—Following allegations made during a court case that a network of the British intelligence system was operating in Greece, Field-Marshal Papagos, Prime Minister, ordered an investigation into the reported existence of agents of a 'foreign intelligence organization', said to have infiltrated the State services.

9 Aug.—Signature of Balkan military alliance (*see Yugoslavia*).

17 Aug.—**Rumania.** Nine hundred and twenty-two Greeks who had been taken as hostages by Communist rebels and held in Rumania returned to Greece by sea from Constanza.

GUATEMALA. 7 Aug.—The Government closed the frontier with British Honduras.

The Government lifted certain security regulations which imposed censorship, the banning of political meetings, and the right of search and arrest without warrant.

10 Aug.—The Government dissolved all trade union organizations, also the University Democratic Front, the Guatemalan Labour Party (Communist), and other pro-Arbenz parties. The funds of these organizations were to be under Government control and the establishment of new political parties of any ideology was forbidden pending the convening of a constituent assembly.

The junta granted safe conducts to eighty-six persons, chiefly left-wing Spaniards, Hondurans, and Dominicans, who had taken refuge in Guatemala during the Arevalo and Arbenz regimes.

11 Aug.—**Political Statute.** The regime published a political statute to replace the 1945 constitution pending the promulgation of a new constitution. It provided for the vesting of executive authority in the junta which also assumed legislative authority, though delegating the administration of laws to the supreme court and lesser tribunals.

Guatemala (*continued*)

It also stated that Guatemala would maintain and improve relations with the central American States 'in the spirit of the old central American Confederation'; that international laws would be honoured; that Guatemala would continue to press her claim to Belize; that political organizations of an international character were banned, particularly Communism; and that freedom of worship was guaranteed.

INDIA. 5 Aug.—Portuguese East Africa. A Note was handed to the Portuguese Minister protesting strongly against alleged anti-Indian demonstrations in Lourenço Marques and demanding an immediate assurance that Portugal would ensure the full protection of Indians and Indian property in Portuguese East Africa.

6 Aug.—Great Britain: Goa. The acting British High Commissioner delivered a communication from the British Government expressing anxiety at the situation in Goa and the earnest hope that there would be no resort to force or 'to methods bound to lead to the use of force'.

It was learned that concern had also been expressed by the Governments of Argentina, Belgium, Brazil, Chile, Italy, and the Vatican.

British Minister's statement to Portuguese Ambassador (*see Great Britain*).

7 Aug.—Portuguese Settlements: Brazil. The Government sent a reply to the Brazilian Government's representations regarding the situation in the Portuguese settlements. It denied that the activities of demonstrators, which it described as 'peaceful direct action', constituted aggression and said that the Government would not be a party to the suppression of a genuine peaceful national movement for freedom from colonial rule. The Government's intention was a peaceful merger of the settlements with India. The Note pointed out that India's offer to negotiate with Portugal had been rejected four times, and it asked the Brazilian Government, instead of taking up an *ex parte* attitude, to use its influence with Portugal to persuade her to enter into negotiations for a settlement.

8 Aug.—Portuguese suspension of transit facilities in Mozambique (*see Portugal*).

Fighting at Canoel village (*see Portugal*).

Portuguese Africa. It was announced that following violent anti-Indian demonstrations and damage to Indian property in Lourenço Marques the Indian Government had asked that British representatives in Portuguese East and West Africa be requested to protect Indian interests.

Portuguese Note. A Note was received from the Portuguese Government, which, after emphasizing the danger of the situation in the Portuguese settlements and outlining the Portuguese and Indian versions of the facts, proposed that, in order to avoid possible bloodshed and to throw light on the true state of affairs, observers from countries selected by Portugal and India should be sent to the areas to make reports for immediate publication.

9 Aug.—Great Britain. In a reply to the British Government's representations of 6 August regarding the situation in Portuguese India, the Government emphatically repudiated the unwarranted implication in the British expression of hope that 'there would be no resort to force or methods that will lead to the use of force'. It deeply regretted that the British Government should have expressed an opinion based on one-sided information, and said the existing situation was due to the resistance of the Portuguese Government to the desire of a subject people for freedom from foreign rule. The Government was determined to pursue its peaceful conciliatory approach without the rise of or support of violence, and hoped that the Portuguese Government would respond and that the friends of Portugal would advise her in this direction.

Portuguese denial of Indian allegations *re* Lourenço Marques (*see Portugal*).

10 Aug.—Note to Portugal. The Government sent a Note to Portugal accepting the proposal for impartial observers and suggesting that representatives of the two sides should meet without delay to consider ways of implementing it. The Note rejected Portuguese allegations which it described as 'wild and improper' and expressed the hope that they would be withdrawn. It said it shared the Portuguese wish to make every effort to avoid violations of law and peace and to reach accord by negotiation. The Note also repeated the Indian position concerning foreign possessions in India.

Dr Salazar on the Portuguese territories (*see Portugal*).

12 Aug.—The Government protested to Portugal against a reported order by the authorities in Goa evicting all Indian nationals not possessing a residential permit. Such discrimination, the Note said, would have the effect of further worsening relations and increasing border tension.

13 Aug.—Portuguese Note *re* Portuguese settlements (*see Portugal*).

Mr Nehru, Prime Minister, speaking in Delhi, said that he was not going to stop Goans from entering Portuguese territories to agitate for their merger with India, but Goans should remember India's basic policy of non-violence. He ridiculed the idea that India had organized the movement and said the Indian Army could take Goa in a trice if it wanted, 'but we don't want to do that. We have not done it, and will not do it.' He said that the Portuguese were using 'poor Africans' as cannon-fodder, and that 'our Portuguese friends' had not caught up with the twentieth century. He contrasted this with the attitude of France with whom he was convinced a settlement would soon be reached.

It was announced that the Reserve Bank of India had banned the transfer of postal remittances of Indian currency to Goa.

14 Aug.—In a reply to the Portuguese Note of 13 August, the Government said that its Note of 10 August was intended to be 'prompt and clear acceptance' in principle of the Portuguese proposals for the appointment of neutral observers. None of the points were excluded from consideration. The Note urged the Portuguese Government to appoint representatives to discuss the matter without delay.

Mr Mohammed Ali on Indo-Pakistan relations (*see Pakistan*).

India (continued)

15 Aug.—Goa. In spite of a week's preparation and violent propaganda by Goans in India, only about fifty persons took part in the 'liberation' of Goa which had been timed to coincide with India's Independence Day. They were arrested by the Goan authorities as they crossed the frontier. Mr Nehru had ordered frontier guards to stop Indians from crossing into Portuguese territory, and 1,257 Praja Socialists were stopped when they attempted to march into Damão.

A small band of demonstrators seized the old fort at Tiracol—a tiny enclave and the only part of Goa north of the Tiracol river.

16 Aug.—Goa. Portuguese troops recaptured the enclave and fortress of Tiracol.

The Bombay Port Trust Workers' Union called on its members to boycott French and Portuguese ships 'until such time as the two countries clear out of India'.

Mr Waman Dessi, leader of the 'United Front of Goans', announced that three villages in Goa—Loldem, Darguem, and Tamari—had been 'peacefully liberated' that morning.

17 Aug.—The police in Panjim, capital of Goa, announced that fifty-three 'volunteers' who had entered from India were in prison awaiting trial for illegal entry and seditious activities.

Portuguese statement (*see Portugal*).

Portuguese Note. A Portuguese Note in reply to the Indian Note of 14 August was delivered. It said that, notwithstanding the ambiguous and evasive terms of the Indian reply, the Portuguese Government were interpreting it as an acceptance of the Portuguese proposals regarding observers, except as regards the method of choosing, and also as an acceptance that the question of negotiations for other problems would not be discussed. The Note listed the names of the three Portuguese delegates and agreed to the negotiations taking place in Delhi.

INDO-CHINA. 5 Aug.—Vietnam. It was learned that on the orders of the south Vietnam Prime Minister, Mr Ngo Dinh Diem, the Committee of Defence for Northern Vietnam had been dissolved.

9 Aug.—A clash between anti-Vietnamese demonstrators and the garrison of a Vietnam army post twenty-five miles from Saigon resulted in the death of forty civilians.

Reports from Pnom Penh and Saigon stated that Viet Minh forces in Cambodia and in south Vietnam had refused to obey the orders of their leaders to observe the cease-fire.

11 Aug.—The cease-fire in southern Vietnam came into effect without incident.

The Emperor Bao Dai sent a message to the Vietnamese people from France announcing his intention of returning to Vietnam and laying before the people the details of a new programme, but he added that the destiny of the Vietnamese lay in their own hands.

12 Aug.—White Paper giving texts of cease-fire agreements (*see Great Britain*).

In a speech at Thai Nguyen to the International Armistice Control Commission, Ho Chi Minh promised that his Government would respect the armistice agreements.

13 Aug.—The Emperor Bao Dai sent a message from his residence in France to M. Ngo Dinh Diem, asking him to continue in office. He said he had received firm assurances from the French that they would associate themselves loyally with the patriotic action led by the Prime Minister.

16 Aug.—The Franco-Vietnam and Viet Minh delegations at Trung Gia signed an agreement for an exchange of prisoners.

INDONESIA. 10 Aug.—New Netherlands-Indonesian protocol (*see Netherlands*).

16 Aug.—**Western New Guinea.** The Prime Minister declared in Parliament that Indonesia would continue the 'struggle' for the incorporation of Dutch Western New Guinea in Indonesia.

IRAQ. 17 Aug.—The deputy leader of the Umma Party, Senator Tewfiq Wahbi, announced the dissolution of the party, following a decision of the party's higher committee.

Egypt. Following talks at Sirsinek between Nuri es-Said, Prime Minister, and Major Saleh Salem, Egyptian Minister of National Guidance, it was announced that full agreement had been reached on all matters discussed including a decision to surmount all obstacles hindering full co-operation between the Arab States.

18 Aug.—Senator Salih Jabr, leader of the Umma Party, who was on holiday in the Lebanon, flew back to Baghdad on hearing of the party's dissolution. He expressed shock and regret at the news.

ISRAEL. 12 Aug.—**Border Incidents.** The Army said that an Israeli patrol had been fired on from the Egyptian side of the border of the Gaza strip and that a considerable length of the main water pipe serving settlements near the border was blown up on the previous night. Israel had asked for an emergency meeting of the Mixed Armistice Commission.

14 Aug.—Statement by Jewish 'deserter' *re* Israeli military post in demilitarized zone, and border incident (*see Egypt*).

15 Aug.—**Syria.** An official announcement charged Syria with having seized an Israeli trawler on the high seas and taken it into Latakia. A complaint was lodged with the Mixed Armistice Commission and the return of the trawler and crew demanded.

A military court in Nazareth sentenced two Arabs to twenty-five and twenty years' imprisonment respectively for espionage.

Frontier Incident. The main water station in Gaza was reported to have been blown up after a long exchange of fire with Egyptians.

An army spokesman denied the allegation (*see Egypt*) that Israeli armed forces were being kept inside the El Auja demilitarized zone.

Mapam Split. Four of the eleven Mapam deputies decided to form a breakaway group.

General Zionist Party. The General Zionist Party, through its four

Israel (continued)

Ministers, announced that it no longer considered itself bound by the agreement made with Mapai in 1953. The announcement followed a refusal by the Prime Minister to put into immediate effect an undertaking, given to the General Zionists at the time of the agreement, to introduce electoral reform legislation denying parliamentary representation to any party polling less than 4 per cent at a national election. Mr Sharrett had insisted that the Bill should not be tabled until shortly before the election in the summer of 1955.

KENYA. 9 Aug.—Agriculture. The Government published the text of a Bill to be submitted to the Legislative Assembly under which farmers and landowners, both European and African, would be required to maintain and develop their land efficiently and to grow essential crops. The Bill gave wide powers to the Minister of Agriculture and provided for the issue of loans to those carrying out development orders.

Emergency Figures. Figures for the week ended 7 August showed that eighty-four Mau Mau terrorists were killed, nine wounded and captured, and 520 suspects detained. Security forces' casualties were four Africans killed and five wounded.

Nine Africans were massacred in a Mau Mau raid on European farms in the Kiambu district.

10 Aug.—The Government announced the confiscation of land owned by the Mau Mau leaders, Dedan Kimathi and Stanley Mathenge.

12 Aug.—Addressing an Indian meeting in Mombasa, Mr A. B. Patel, Indian Minister without Portfolio and leader of the Asian group in the Legislature, proposed as a first step towards a common voters' roll that about ten members of the Legislative Council be elected on a non-racial electoral roll while at the same time seats be reserved for racial groups.

KOREA. 6 Aug.—United States *aide mémoire* re incidents against Communist members of armistice commission (*see United States*).

17 Aug.—Prisoners. The U.N. Command handed to the Communists a list of 2,840 U.N. prisoners and asked for an accounting of them. The chief U.N. delegate to the military armistice commission told the chief Communist delegate: 'We are convinced the prisoners are in your hands and we still consider they have not been accounted for in a satisfactory manner.'

18 Aug.—U.S. decision to withdraw two divisions (*see United States*).

An emergency session of the National Assembly was held to discuss the announcement by Pyun Yung Tai, Prime Minister, that the United States would withdraw four of her six divisions in Korea by June 1955. Mr Pyun said the U.S. decision was received 'with the utmost displeasure and disappointment'. 'The United States should either increase the South Korean armed forces by three divisions for each one division withdrawn from Korea or wait until the Chinese Communists withdrew their troops from North Korea.' The speaker of the Assembly

said the South Korean military delegation in Washington would immediately seek the suspension of the withdrawal until South Korea had the military strength to defend herself. It would also make a final proposal for increasing South Korea's armed forces.

MOROCCO. 5 Aug.—In Fez further clashes took place in which five people were reported killed.

The text was published of a letter written on 4 August by El Glaoui, Pasha of Marrakesh, to the French Resident-General in Tunisia. In the letter El Glaoui gave a warning of the danger threatening France in Morocco by reason of the 'intrigues of agitators in favour of the ex-Sultan', and advised that firmness should be used. He described himself as head of the movement which had favoured the deposition of Sidi Mohammed ben Youssef and claimed that the deposition took place in accordance with sacred Islamic precepts and had the unanimous support of the people.

7 Aug.—**Riots.** Eleven people, including five Europeans, were killed, and about fifty-four injured in riots at Port Lyautey. In Casablanca a Moroccan shopkeeper was shot dead and two Moroccan municipal guards seriously injured. At Fez supporters of Sidi Mohammed ben Youssef clashed with tribesmen. Three of the demonstrators were wounded when Moroccan guards restored order.

8 Aug.—About twenty persons were believed to have been killed and about 100 injured when police opened fire to quell further rioting at Port Lyautey.

The Sultan broadcast an appeal for an end of terrorism.

9 Aug.—The nationalists issued a general strike order to Moroccan workers.

10 Aug.—Two Moroccans were killed and five wounded in a clash with the police in Fez. In Rabat a European was shot and seriously wounded. Security forces detained about 3,000 persons in Port Lyautey.

11 Aug.—The Feast of Aid el Kebir, normally one of prayer and rejoicing, was commemorated as a day of mourning by Moroccans in obedience to an Istiqlal order.

14 Aug.—**Spanish Morocco.** Lieut.-Gen. Valiño, Spanish High Commissioner, said that he could not be indifferent to the Moroccan people's deep feeling of disquiet, nor to the trials to which they were subjected 'through the wills of those who are all powerful', trials which were bound to react on Moroccans in the Spanish zone. 'The brave political events' in the neighbouring protectorate were the motive for the Tetuan demonstrations of January and for the Grand Vizier's visit to Spain in February which 'made plain the feelings of the Moroccan people and their identification with the Spanish people'. Spanish policy had allowed the caliphate zone to remain an oasis of peace in the midst of general agitation in North Africa—a policy which would be continued until such time as the Moroccans were sufficiently prepared to rule their own destinies. He announced that he would soon be submitting plans for the reform of the law courts and for increasing the participation of Moroccans in the administration.

Morocco (*continued*)

15 Aug.—Arrests. A security sweep resulted in over a hundred arrests in Fez and others in Marrakesh and Petitjean.

18 Aug.—Forty Ulemas (Muslim theologians) who had recently signed a letter in favour of the ex-Sultan were removed by the Sultan's guards from the Mosque of Moulay Idriss in Fez—a place of sacred sanctuary—and taken with about thirty other Moslems who were in the sanctuary to Rabat to await the Sultan's decision.

NETHERLANDS. 10 Aug.—Indonesia. Representatives of the Netherlands and Indonesian Governments signed at The Hague a protocol abolishing the Netherlands-Indonesia Union and putting the two countries' financial and economic relations on a new basis. (The question of the sovereignty of New Guinea was not discussed during the negotiations owing to objection on the part of the Netherlands delegation.)

14 Aug.—Agreement for stationing of U.S. aircraft (*see United States*).

PAKISTAN. 5 Aug.—Indus Waters. The Prime Minister told the press that Pakistan had conditionally accepted the World Bank's proposals for the sharing of the Indus waters with India. He said the Government would try the World Bank formula and accept it if it were workable and guaranteed proper usage of the waters.

12 Aug.—Decision to open legation in Lisbon (*see Portugal*).

Egypt. Mr Mohammed Ali, Prime Minister, said that during their recent pilgrimage to Mecca he had discussed with Colonel Nasser, the Egyptian Prime Minister, problems of a 'much wider range than mutual defence'.

13 Aug.—Mr Ghulam Mohammed, Governor-General, in a broadcast in connection with Pakistan Day celebrations, expressed disappointment with the attitude of Indian leaders in regard to Indian-Pakistan difficulties and said that Mr Nehru had now 'got out of the habit of seeing the truth with fairness'. He claimed that in spite of Mr Nehru's professions of interest for the 'common man', 'India has defied international agreements by her unilateral action (in the canal waters dispute) which threatens Pakistan's common people and *Kisans*' (peasants).

14 Aug.—Speaking in Karachi on Pakistan Day, Mr Mohammed Ali, Prime Minister, said that the refugee problem was continuing. Rehabilitation could not catch up the ceaseless influx from India. Since February 1950 more than 600,000 refugees had come into west Pakistan through Khokrapar alone. The flow would continue so long as conditions were not created in India under which Muslims could live with self-respect and in security and peace. Such conditions did not exist; communal riots were still a common occurrence, and there had been disquieting reports of forcible mass conversions of Muslims to Hinduism. Strong and effective measures were called for by the Indian Government.

Referring to Kashmir, Mr Mohammed Ali regretted that he had failed to get Mr Nehru to agree to the settlement of the preliminary issues. Mr Nehru had given a number of reasons for his disinclination to take action on a free and impartial plebiscite. Mr Mohammed Ali hoped that Mr Nehru realized that Kashmir could not be held down by force of arms indefinitely. The question was a serious potential threat to peace, and Pakistan would not rest in peace 'until it is resolved honestly, justly, and to the entire satisfaction of our brethren in Kashmir'.

U.S. aid for flood victims (*see United States*).

PARAGUAY. 15 Aug.—Gen. Alfredo Stroessner assumed office as President for 1954 to 1958 in succession to the provisional President, Thomas Romero Pereira. A new Cabinet was approved, substantially the same as the previous one, the main changes being the inclusion of ex-President Pereira as Minister of the Interior, and Rigoberto Cabelero, a former Vice-President, as Minister of Agriculture.

President Perón of Argentina arrived on a visit of goodwill.

PERSIA. 5 Aug.—**Oil Agreement.** The two chairmen representing respectively the Iranian delegation and the consortium of oil companies (*see p. 241*) issued a statement announcing that they had reached agreement on an oil settlement. The agreement, which was subject to ratification by the Majlis, would be valid for twenty-five years with provision for three five-year extensions.

Under its provisions two operating companies would be formed to work the oilfields and the Abadan refinery, one to deal primarily with exploration and production and the other with refining. They would be registered in Persia and incorporated in the Netherlands. Each would have seven directors, two of whom would be nominated by Persia and five by the consortium. The National Iranian Oil Company would continue to operate the Naft-i-Shah oilfield and Kermanshah refineries to produce a part of domestic needs and would continue to handle the distribution of oil products in Persia. It would also be responsible for all facilities and servicing not directly a part of the producing, refining, and transportation needs of the operating companies, and would be reimbursed for a major part of the costs of such facilities and services.

The statement estimated that exports of crude oil and products would amount to a minimum total of 80 m. cubic metres for the first three-year period and that in addition some 5 m. cubic metres would be produced for internal consumption. It estimated that nearly 35 m. cubic metres of crude oil would be processed at the Abadan refinery during the first three years' operations, of which 15 m. cubic metres would be processed during the last of the three years.

The statement said that the consortium was expected to consist of: the Standard Oil Company (N.J.), the Standard Oil Company of California, Socony Vacuum Oil Company, Texas Company, Gulf Oil Corporation, Royal Dutch Shell, Compagnie Française des Pétroles, and A.I.O.C.

Compensation. A statement on compensation said that the Iranian

Persia (*continued*)

Government had agreed to pay to Anglo-Iranian Oil Company Ltd a net amount totalling £25 m., payable over ten years from 1 January 1957.

Sterling Payments Agreement. The Persian Government and the British Embassy issued a statement announcing agreement in principle on arrangements to come into force on ratification of the oil agreement. This provided that all transactions including those of the consortium and the N.I.O.C. should normally be settled in sterling and that Persia would be given full 'transferable account' facilities and facilities for converting sterling into dollars. The British Government had undertaken to remove immediately certain existing restrictions on sterling payments between Persia and the non-dollar world.

British statement on oil agreement (*see Great Britain*).

7 Aug.—Mr Ali Amini, Finance Minister, told the press that the Anglo-Iranian Oil Company would receive more than £70 m. compensation for its nationalized Abadan refinery and the Khuzistan field supplying the refinery, in addition to the £25 m. which Persia had agreed to pay. Of this other compensation Persia would contribute £21,365,000, but only indirectly, and the international oil consortium would pay the remainder.

15 Aug.—Foreign Policy. Dr Entezam, Foreign Minister, said that Persia did not intend to cancel the treaty of neutrality and guarantees with Russia. Her neutrality would be governed by her obligations as a member of the United Nations. No suggestion or implied pressure had been made or exerted on Persia for joining the Pakistan-Turkey pact.

POLAND. 5 Aug. et seq.—British statements *re* Antoni Klimowicz (*see Great Britain*).

PORTUGAL. 5 Aug.—Indian Note demanding assurances *re* Indians and Indian property in Portuguese East Africa (*see India*).

British statement *re* Indian-Portuguese dispute (*see Great Britain*).

8 Aug.—The Foreign Ministry announced the suspension of transit visa facilities in Mozambique, which Indians in transit had been using. The action was a reprisal for the obstacles placed in the way of Portuguese citizens desiring to cross Indian territory from one Portuguese enclave to another.

Reports from Goa said that fighting had taken place between Portuguese forces and armed bands of attackers at Canoel village in the Nagar Aveli enclave. The Portuguese forces were attempting to recapture the village which had been occupied.

Portuguese proposal for international observers (*see India*).

9 Aug.—The Foreign Ministry denied Indian allegations of violent anti-Indian demonstrations at Lourenço Marques, stating that the total damage to property amounted to about £50, and that no personal harm occurred to any Indian as special police precautions had been taken.

Indian reply to British representations (*see India*).

10 Aug.—Indian Note accepting observers (*see India*).

Dr Salazar, Prime Minister, declared in a broadcast that it had been absolutely necessary to safeguard Portuguese sovereignty over the territories in India, but he reaffirmed Portuguese readiness to enter into negotiations with India for political, economic, and cultural agreements and recalled that so far any such suggestions or friendly dispositions had met with no response. He said the Indian argument that it was not concerned with treaties or legal standards preceding the formation of the Indian Union might be expedient but could not be upheld in terms of law and was inconsistent with membership of the United Nations. He wondered if there were not other causes for the conflict than those at first apparent, and he affirmed that Portugal more than any country of the west could give India friendship without offence or humiliation and without being a source of dissensions or danger.

Dr Salazar said that, if the Indian Union chose to place itself beyond the pale of ethics and law, life in the tiny Portuguese territories could be made practically impossible, but he maintained that if it were realist it would take into account the reprobation of the universal conscience, and realize that its legitimate interests were reconcilable with the existence of Goa and that by ignoring Goa's existence it would damage many of its interests beyond repair.

11 Aug.—The Foreign Ministry announced in a communiqué that the French and Danish Governments had publicly expressed approval of Portugal's proposal for observers and that the Venezuelan Government had declared its solidarity with Portugal in the dispute.

12 Aug.—Pakistan. The Foreign Ministry announced that the Pakistan Government had decided to open a legation in Lisbon. (The two Governments had agreed to an exchange of diplomatic missions in 1949. A Portuguese legation had been opened in Karachi in 1952.)

Indian protest *re* eviction of Indian nationals (*see India*).

13 Aug.—Note to India. A Note sent in reply to the Indian Government's Note of 10 August made a 'solemn appeal' to India to prevent a planned march on the Portuguese settlements in India on 15 August by supporters of the 'Goa Action Committee'. The Note pointed out that Indian acceptance of the Portuguese proposal for neutral observers appeared illusory as it was limited to the Portuguese settlements alone and did not include the adjoining territories. It asked India to state what questions of detail in the original proposals it did not accept and promised a prompt reply. The Note also said that the Portuguese Government shared the Indian attitude in regard to the settlement of disputes by negotiation, but believed it necessary to separate the question of sending observers from that of negotiation on other questions.

Mr Nehru on the Portuguese settlements (*see India*).

Ban on remittances to Goa in Indian currency (*see India*).

14 Aug.—Indian Note (*see India*).

15 Aug.—Events in Goa (*see India*).

17 Aug.—The Foreign Ministry issued a statement expressing satisfaction that the grave events predicted for 15 August had not materialized in Goa and saying that this had shown Portugal's unity and will to resist and also that international criticism had helped to tie

Portugal (continued) *and a ni bantish raintifc antit' tavalat*
 the Indian Union's hands. Portugal was ready to enter into negotiations with India provided they did not touch Portuguese sovereignty.

Note to India (*see India*).

RHODESIA AND NYASALAND. 9 Aug.—The general council of the Trade Union Congress of the Central African Federation, representing some 20,000 European workers, announced that it had unanimously adopted a resolution in support of the following principles; European standards of living and workmanship to be the aim for all workers; standards of education and training programmes to be applicable to all apprentices and learners; a progressive improvement in African standards of living towards that of Europeans.

14 Aug.—**Northern Rhodesia. Moffat Resolutions.** The Northern Rhodesian Government published the text of the resolutions moved by Mr J. S. Moffat, a nominated European representative for African interests, and passed with only one dissentient by the Legislative Council on 29 July. The resolutions declared that the objective of policy in Northern Rhodesia was a franchise with no separate representation for the races; that during the transition period arrangements must be continued to prevent the domination by either race 'for its own racial benefit'; that the Council noted and agreed with the statement of the Secretary of State that it was the duty of H.M. Government 'to ensure that on contentious issues the balance is fairly held'; that 'every lawful inhabitant of Northern Rhodesia has the right to progress according to his character, qualifications, training, ability, and industry, without distinction of race, colour, or creed'.

17 Aug.—**Immigration.** The Federal Minister of Home Affairs stated in Parliament that amendments to the Immigration Bill designed to counter the Government's policy of virtually preventing Asian immigration would not be accepted. He said the Government stood on the provisions accepted at the Imperial Conference of 1919 at which it was agreed that self-governing members of the Commonwealth should have the right to determine the character of immigrants entering each individual country. He added: 'We feel that here in this multi-racial community there is only room in the sphere of immigration for people imbued with the ideals of western civilization as well as Africans.'

RUMANIA. 17 Aug.—Return of hostages to Greece (*see Greece*).

SUDAN. 8 Aug.—The death sentence passed on 4 July on Awad Saleh, editor of the newspaper *Umma*, for inciting the Khartoum riot of 1 March was reduced to fourteen years' imprisonment with hard labour, and the sentence of life imprisonment on Aly Farah, another journalist, was reduced to ten years' imprisonment.

SYRIA. 15 Aug.—Israeli charge *re* seizure of trawler (*see Israel*).

TUNISIA. 5 Aug.—Following the rejection by the Bey of his first

list of Ministers, M. Tahar ben Ammar, Prime Minister, submitted a second and more moderate list.

Reinforcements of French troops landed at Bizerta.

7 Aug.—New Government. The Bey approved a Government composed of four members of the Neo Destour, one Socialist, and four Independents. The Ministries of Public Works, Education, and Finance remained in the hands of French officials pending the signing of new agreements. It was announced that the Tunisian delegation to conduct the negotiations would consist of the Prime Minister and M. Aziz Djellouli (both Independents) and two of the Neo Destour Ministers—M. Mongi Slim and M. Masmoudi.

10 Aug.—French vote on North Africa (*see France*).

Neo-Destour. The Neo-Destour executive issued a statement which expressed satisfaction with the French decision to grant Tunisian autonomy and to review Franco-Tunisian relations, and called for a democratic regime which would guarantee French interests so long as these did not infringe Tunisian sovereignty or the rights of Tunisian citizens. But it added that the negotiations had no chance of success so long as repressive methods such as exile, deportation, and imprisonment continued.

18 Aug.—Franco-Tunisian talks (*see France*).

TURKEY. 9 Aug.—Signature of Balkan military alliance (*see Yugoslavia*).

UGANDA. 9 Aug.—The Governor revoked certain emergency regulations, concerned mainly with the powers of the police.

UNITED NATIONS

Economic and Social Council

5 Aug.—International Trade. In the face of opposition from the French, U.K., and U.S. delegates, the Council adopted an Argentine resolution proposing the immediate establishment of a commission on international commodity trade with a view to preventing violent fluctuations in prices. The U.K. delegate, explaining his vote in opposition, said his Government favoured inter-Governmental action to prevent such fluctuations and had serious doubts about the effectiveness of the proposed commission.

UNITED STATES. 5 Aug.—Great Britain. Mr Stassen, director of the Foreign Operations Administration, described as 'most inaccurate' the Senate appropriation committee's report of 1 August that U.S. aid helped Great Britain to develop jet aircraft to compete with American airlines. He admitted that by strengthening the Royal Air Force this indirectly helped British civil aviation, but said it did not amount to a subsidy to the British civil aviation industry because 'American dollars earmarked for R.A.F. modernization do not replace British funds but are added to the British budget for R.A.F. development'.

China. The State Department announced that China had refused to

United States (continued)

accept the second U.S. protest of 4 August about the shooting down of the British Skymaster aircraft (see p. 509).

6 Aug.—Korea. The State Department announced that it had delivered an *aide mémoire* to South Korea expressing concern over recent incidents directed against Communist members of the armistice commission, and had asked for co-operation in providing protection for the inspection teams.

U.S.S.R. The State Department announced that a Note had been delivered to the Soviet Government strongly protesting against the temporary detention of two members of the Embassy staff in Moscow on 4 August on a charge of photographing the Stalin auto-works. The Note asked for 'disciplinary action' against the officials concerned.

East German acceptance of food offer for flood victims (see Germany).

8 Aug.—Communism in South America. The State Department issued a White Paper advising all Governments in the western hemisphere to be on the alert against the inroads of international Communism. It asserted that Russia's aims were to promote anarchy, sabotage continental defences, and destroy the inter-American system so as to divert attention from Communist manoeuvres in Asia and Europe.

Indo-China. The State Department announced that in response to a South Vietnam request U.S. Navy ships would be provided to help in the evacuation of 100,000 Vietnamese from areas to go under Viet Minh control. The United States was also ready to provide material assistance.

11 Aug.—President Eisenhower told the press in answer to a question that a 'preventive war' was 'completely unthinkable'.

12 Aug.—Flood Relief. President Eisenhower directed that up to \$4 m. of surplus farm products be used for flood relief in Austria and east and west Germany.

Economic Situation. The White House issued a statement in which it claimed that the recent decline in economic activity had 'come to a halt' and that the Administration's economic programme marked 'a milestone in constructive legislation' and would 'help to reduce unemployment and to stimulate enterprise and development'. The statement gave the following percentages for the first half of 1954 as compared with the same period of 1953: industrial production —8·1; gross national product —2·7; agricultural employment —2·6; personal income +·2; personal income (after taxes) +1·4; average personal income —·3. It commented that these figures showed that the decline was very small. It also quoted a comparison with the first half of 1952 which showed that 1954 was better than that year in all areas covered by the report.

Foreign Aid. The Senate completed the Foreign Aid Authorization Bill agreeing on a compromise with the House at a figure of \$3,054 m.

13 Aug.—Protests re Visas for Foreign Seamen. The Danish and Swedish Embassies protested against a new American regulation requiring foreign seamen to obtain visas before being permitted to go ashore in the United States. (A protest had already been made by the British Embassy.)

Soviet Defection. The State Department announced that Mr Yuri A. Rastvorov, a senior Soviet spy, who had disappeared in Tokyo on 24 January, had requested and had been granted political asylum in the United States.

Anglo-Yemeni Dispute. Mr Zaborah, Yemen Chargé d'Affaires, read out at the National Press Club in Washington a long statement protesting against Britain's proposed federal plan for the Aden Protectorate. (He had been refused facilities by the press room of the State Department.)

14 Aug.—Netherlands. The State Department announced that an agreement had been signed with the Dutch Government providing for the stationing of a squadron of American fighter aircraft at Soesterberg in the Netherlands.

15 Aug.—Pakistan. President Eisenhower authorized emergency assistance to flood victims in Pakistan.

16 Aug.—Tax Revision. President Eisenhower signed a tax revision programme providing for cuts in taxes during the current year amounting to \$1,363 m.

17 Aug.—Formosa. President Eisenhower told the press that any invasion force sent from the Chinese mainland against Formosa would have to 'run over' the United States Seventh Fleet.

18 Aug.—Korea. The Defence Department announced that it was planned to remove four more divisions from Korea to more mobile stations in the Pacific area in the coming months. The South Korean Minister called at the State Department to record his Government's protest against the decision (*see also South Korea*).

U.S.S.R. 6 Aug.—East Germany. Moscow Radio announced that the Government had decided to annul all decrees and ordinances issued by the Soviet military administration in Germany between 1945 and 1953 on the political, economic, and cultural life of eastern Germany. It added that the Government had taken note of an undertaking by the east German Government to fulfil its obligations arising from four-Power agreements on the development of a peaceful and democratic Germany.

United States Note of protest against detention of members of Embassy staff (*see United States*).

10 Aug.—Great Britain. A British Labour Party delegation, headed by Mr Attlee and including Mr Bevan, arrived in Moscow for a two-day visit on their way to China. A dinner was given in their honour by Mr Malenkov.

11 Aug.—Mr Malenkov dined at the British Embassy and discussed world affairs with Mr Attlee and other British Labour leaders. It was the first visit of a Soviet Prime Minister to the Embassy since the war.

12 Aug.—Austria. In a reply to the Austrian Note of 22 July, the Government rejected the Austrian request for a five-Power committee to consider ways of alleviating the occupation regime, and proposed instead that the four Ambassadors in Vienna of the occupying Powers and Austrian representatives should meet to discuss unsettled questions

U.S.S.R. (continued)

of the peace treaty and related questions. The Note said the Soviet Government continued to assume that an agreement aiming at the establishment of 'a free and independent Austrian State' was possible.

13 Aug.—U.S. political asylum for Soviet spy (*see United States*).

YEMEN. 13 Aug.—Protest against British federation proposals for Aden (*see United States*).

YUGOSLAVIA. 9 Aug.—**Balkan Pact.** Mr Popovic, Mr Stefanopoulos, and Mr Köprülü, the Foreign Ministers of Yugoslavia, Greece, and Turkey, signed at Bled an alliance between their three countries. The treaty provided for the extension of the Balkan pact of 28 February 1953, into a twenty-year 'treaty of alliance, political co-operation, and mutual assistance'. Aggression against any one of the three countries would be regarded as an attack on all, and they would undertake 'in common accord and immediately, all measures, including the use of armed force, which they shall deem necessary for efficacious defence'. The three countries also agreed to consult each other in the event of a grave deterioration of the international situation, and 'in the event of an armed aggression against a country towards which one or several of the contracting parties should at the moment of the signing of the present treaty have undertaken obligations of mutual assistance, the contracting parties will consult each other on the measures to be taken, in conformity with the aims of the United Nations, to meet the situation which would have thus been created in their area'.

The treaty also provided for mutual defence assistance and for the establishment of a permanent council composed of the three Foreign Ministers and other Ministers whose presence might be necessary.

The three Ministers also issued a memorandum outlining the general principles for an inter-parliamentary Balkan Consultative Assembly on which agreement in principle had been reached.

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